

Welcome to...

Reimbursable Sales Order Processing and Recording Statistical Costs

Welcome and Introductions



Course Prerequisites



✓ Change Discussions

✓ RWD SAP 4.6C



Course Objectives



- At the end of this course, individuals should be able to use SAP to:
 - Create and update a sales order
 - Reject Sales Order Line and Sales Order
 - Record statistical costs
 - Utilize job aids and OLQR to help navigate through SAP

Benefits of Reimbursable Sales Order Processing and Recording Statistical Costs



- SAP provides an automated means to:
 - Create, update and reject sales orders



Course Schedule



<u>Agenda Item</u>	<u>Time</u>
1. Introduction	0:15 hr
2. Background	0:15 hrs
3. Create, Update & Reject a Sales Order	1:05 hrs
4. Statistical Costs Introduction	0:25 hrs
5. Record Statistical Costs	0:45 hrs
6. End of Course Review/Feedback	0:15 hrs
Total Course Time	3:00 hrs



Course Structure



- Process Flows
 - Overview of key business processes and related SAP concepts
- Demonstrations
 - Trainer-led examples of key SAP transactions
- Activities
 - Real-life business tasks using Core Financial business procedures
- Training Course Feedback
 - Assessment of course effectiveness using the Training Evaluation Form



Course Tool: On-Line Quick Reference



- Purpose of the On-Line Quick Reference (OLQR) tool:
 - Provide procedures, job aids, and Help content via the Intranet during and after Instructor-Led Training (ILT) and Web-Based Training (WBT)
 - Assist with completion of transactions in the SAP system



Prepare Your Workspace



- Take a few minutes to prepare your training workspace
 - Review the reference materials; become familiar with the content
 - Logon to SAP R/3

Background Knowledge

Background Knowledge



- Key definitions:

- **Conditions** – the estimated direct costs and estimated statistical costs that sum to equal forecast of revenue on the sales order (also equal to the customer order amount). Condition type identifies the type of costs.
- **Cost Center** -another name for cost pool. The applicable WBS on the sales order is debited and the applicable cost center is credited. The credited cost center is the “recovery” cost pool.
- **Sold to Party**-refers to customer number; an alphanumeric key which clearly identifies the customer in the SAP system
- **Purchase Order Number**-customer order number-- MIPR/PO
- **Material**-alphanumeric key uniquely identifying the material. NASA uses this in the receivable area for the Sales Order and Billing for account assignment
- **Your Reference**-NASA’s RAN (Reimbursable Agreement Number)
- **Network**-System-generated number attached to a WBS that provides lower level activities for a reimbursable order



Background Knowledge



- Differences between SAP and the previous system:
 - Use of Condition types on sales orders
 - Use of Cost Center for statistical costs

Topic 1

Create, Update and Reject a Sales Order

Topic 1: Overview



- Create, Update and Reject a Sales Order
 - Reimbursable Manager verifies the WBS structure, networks, activities, and derivation rules have been set up correctly in SAP
 - All estimated costs (direct and statistical) are recorded as conditions on the sales order
 - Update sales order for amendments and withdrawal/re-issuance of funds
 - Reject sales order line item or sales order (all lines)

- Process Flows: Manage Accounts Receivable
 - Create/Update Order sub-process



This slide is a place holder for the
attached speaker notes and
will not be Displayed in the presentation

Topic 1: Overview Continued



Additional information entered on the Sales Order (in addition to the customer, WBS and amount):

- RAN (Reimbursable agreement number)
- Customers purchase order/MIPR number
- Expiration date of purchase order/MIPR number or expiration date of customer's funds (PO Date field)
- Customer's Account Classification for the order
- Customer's other sales order information
 - Basic/amendments/Amount/Date/Tasks
 - Advance and Statistical waiver information and amount



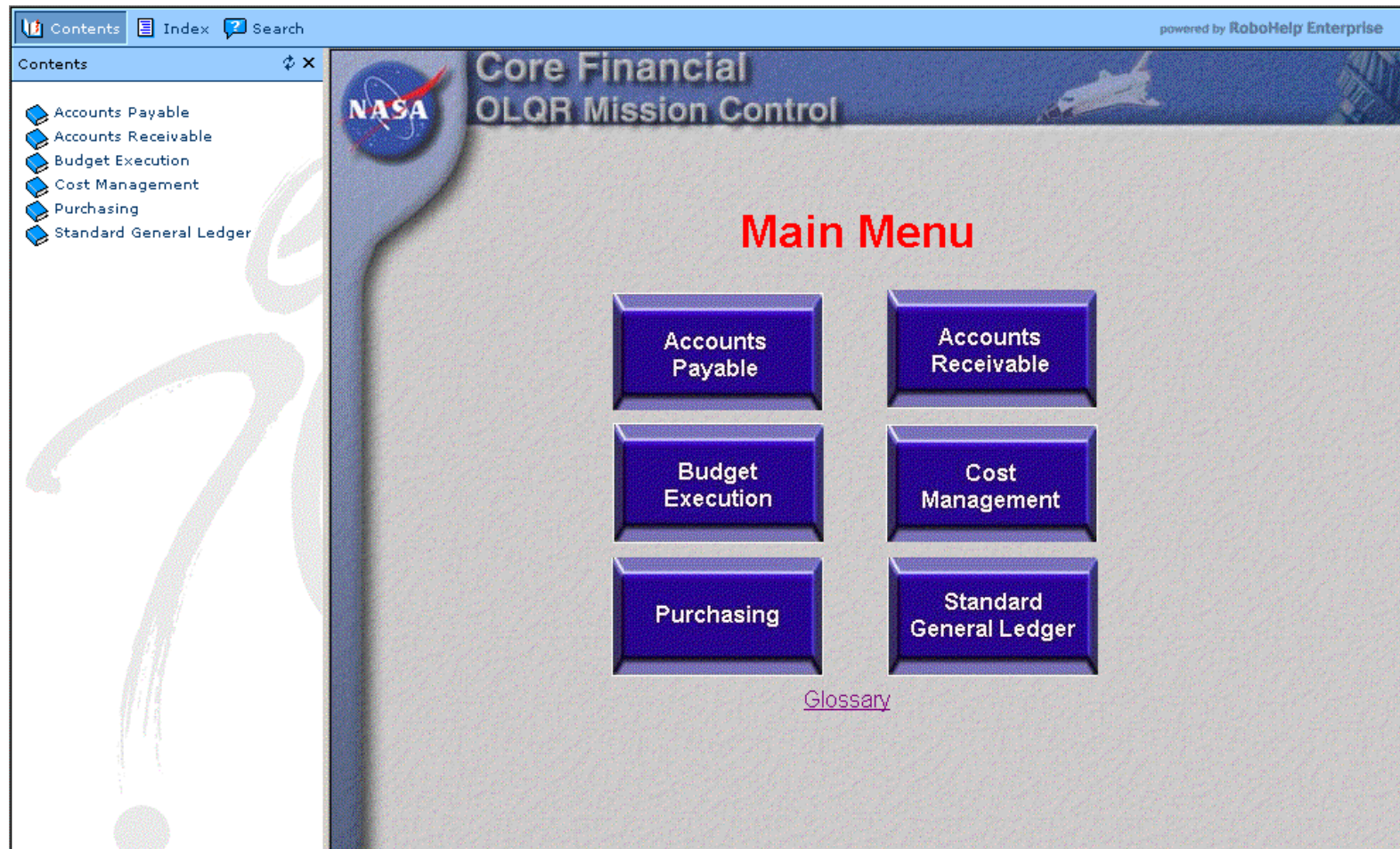
Topic 1: Objectives



- Upon completion of Create and Update a Sales Order, individuals should be able to accomplish the following:
 - Verify WBS structure and understand the use of derivation rules
 - Create a Sales Order
 - Update a Sales Order
 - Reject a Sales Order

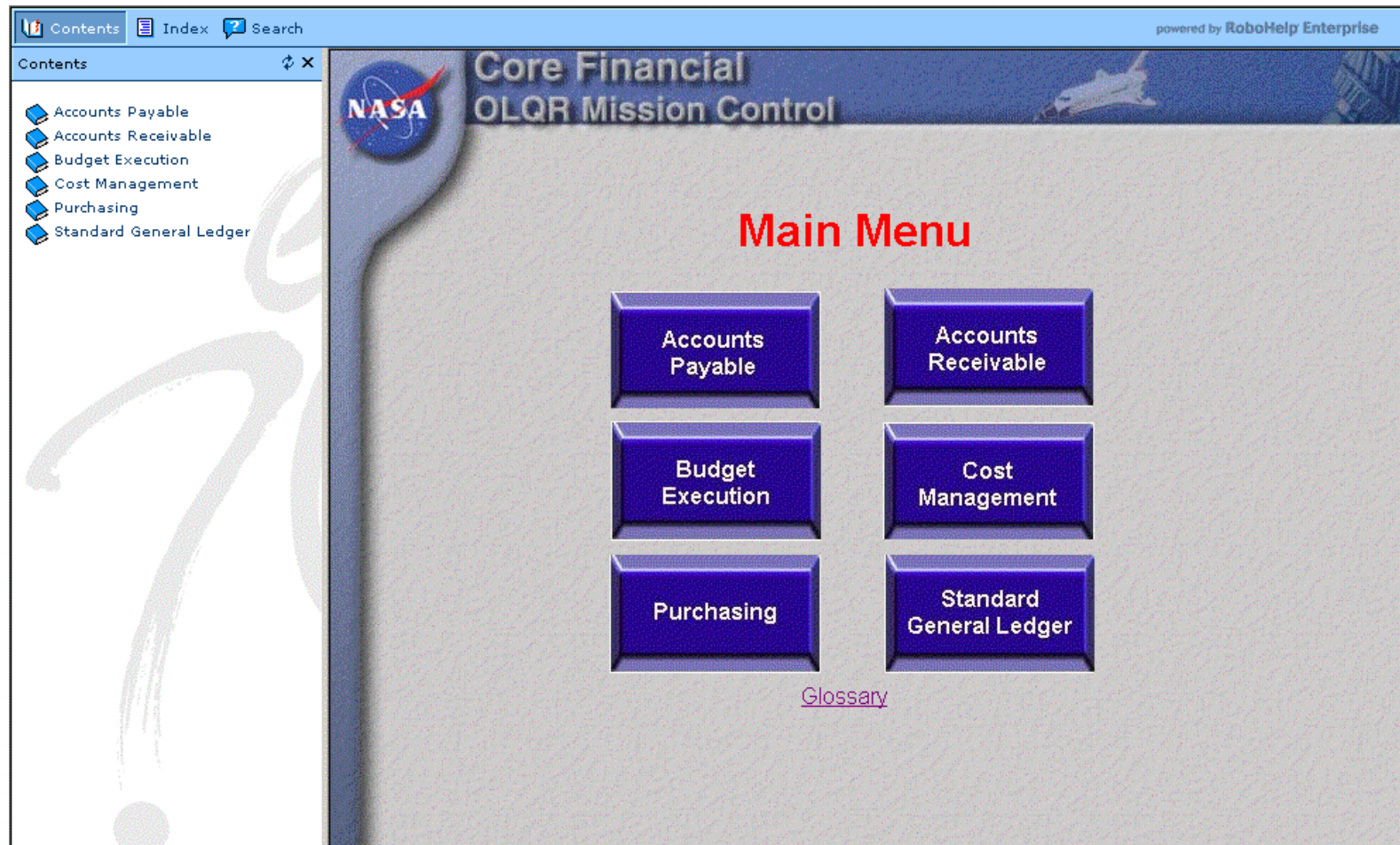
Topic Process Flow

- Perform Verify WBS Structure from the OLQR

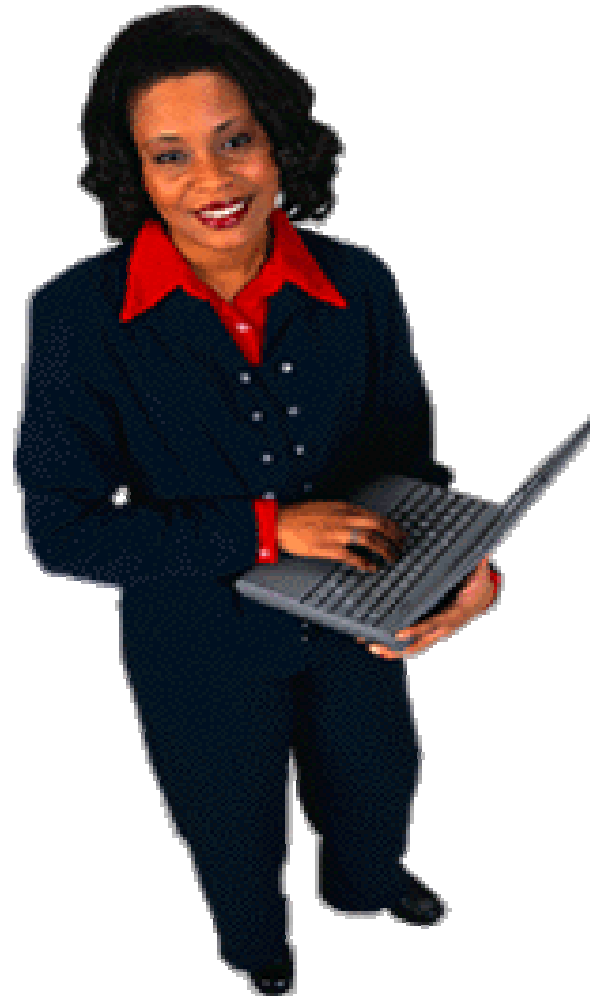


Topic Process Flow

- Perform Create Sales Order from the OLQR



Demonstrations and Exercises Introduction



Demonstrations and Exercises



- **Verify WBS Structure**
- **Create Sales Order**
- **Update Sales Order**
- **Reject Sales Order (maybe demo and/or activity using the user script (included on the Create...Sales Order user script))**



Topic 1: Debrief



- Reimbursable Manager verifies the WBS structure, networks, activities, and derivation rules
- Sales Order Processor creates sales orders by recording all estimated costs (direct and statistical) as conditions on the EPR
- Sales Order Processor updates the order as amendments are received once it is determined that the order exists
- Sales Order Processor rejects sales order created in error – wrong customer



Topic 2

Statistical Costs Introduction

Topic 2: Overview



- Processing Statistical Costs/Charges
 - Fringe benefits, center G&A, HQ's G&A, and contract administration are all relevant statistical costs
 - Starting in FY2003, centers receive authority for all statistical costs, including depreciation
 - These statistical costs/charges are based on estimated costs on the Estimated Price Report (EPR)
 - One Journal Voucher entry can be used to record given type of estimated statistical costs within center. Two JVs required to record given type of estimated statistical costs between centers
 - Statistical costs (HQ G&A and Contract Administration) are processed by IPAC to MSFC (agency) on same day as recorded
 - The cost center is the mechanism used for centers and MSFC (agency) to recover their indirect costs
- Process Flows: Manage Accounts Receivable
 - Create/Bill



Topic 2: Objectives



- Upon completion of Statistical Costs Introduction, individuals should be able to accomplish the following:
 - Define various costs. These costs include:
 - Fringe benefit costs
 - Center's G&A costs
 - HQ's G&A costs
 - Contract administration costs
 - Depreciation



Statistical Costs Introduction



- Fringe Benefit Costs
- Center G&A Costs
- Headquarter G&A Costs
- Contract Administration
- Depreciation



Statistical Costs Introduction



- Fringe Benefit Costs
- Center G&A Costs
- Headquarter G&A Costs
- Contract Administration
- Depreciation



Topic 2: Debrief



- Fringe benefit costs = NASA estimated direct labor \times fringe benefit rate
- Center G&A costs = NASA estimated total direct costs + fringe benefit costs \times center G&A rate
- HQ G&A costs = NASA estimated total direct costs + fringe benefit costs \times HQ G&A rate
- Contract Administration may be a fixed cost or may be based on the following calculation; Contractor Cost \times Contract Administration rate
- Depreciation is a fixed amount on the sales order which may be based on a calculation performed by project/resource manager



Topic 3

Record Statistical Costs

Topic 3: Overview



- Recording Statistical Costs
 - Estimated statistical costs are calculated on applicable estimated costs on the EPR (Estimated Price Report) and line item for the sales order outside of SAP
 - The Funds Reservation/Line Item referenced on the JV to record statistical costs
 - Within center stat costs – One Entry
 - Debit to record cost to the order and Credit to record Credit in the Cost Recovery Center
 - Between centers stat costs – Two Entries
 - Debit to record cost to the order and Credit to Cash
 - Debit Cash and Credit to record Credit in the Cost Recovery Center The reimbursable WBS report is viewed for the impact of recording statistical costs

Topic 3: Overview



- Recording Statistical Costs (cont)
 - Statistical costs should be billed in the same accounting period in which they were recorded as a cost
 - View Reports Showing these amounts
- Process Flow: Manage Accounts Receivable
 - Create Bill sub-process

Note: Statistical cost (HQ G&A and Contract Administration) are IPACed to MSFC (Agency) on the same day as they are recorded.



Topic 3: Objectives

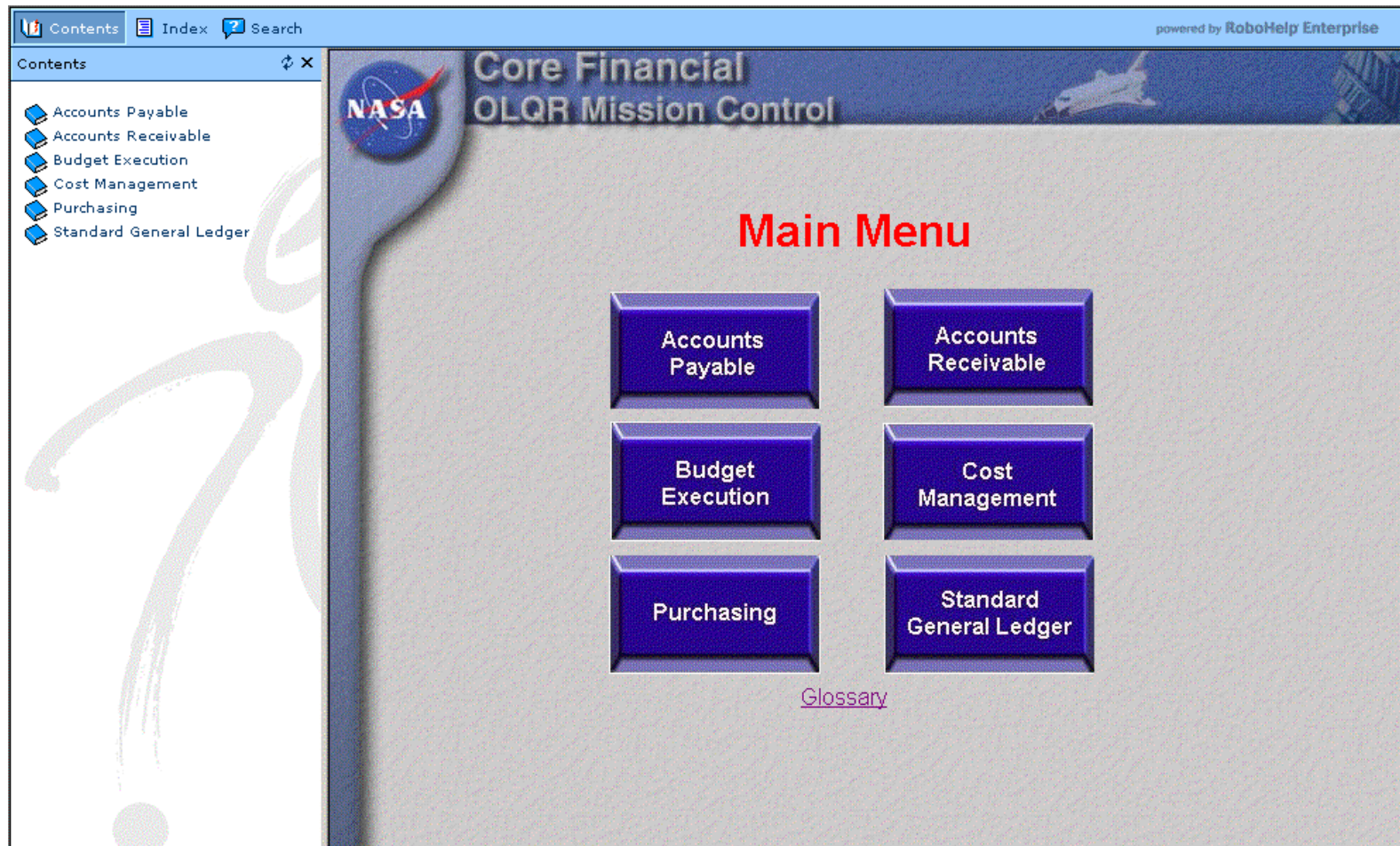


- Upon completion of Statistical Costs topic, individuals should be able to accomplish the following:
 - Accurately record statistical costs to enable billing for these costs to the customer and also to enable NASA to recover indirect costs incurred in support of reimbursable activity.
 - View reports showing amounts

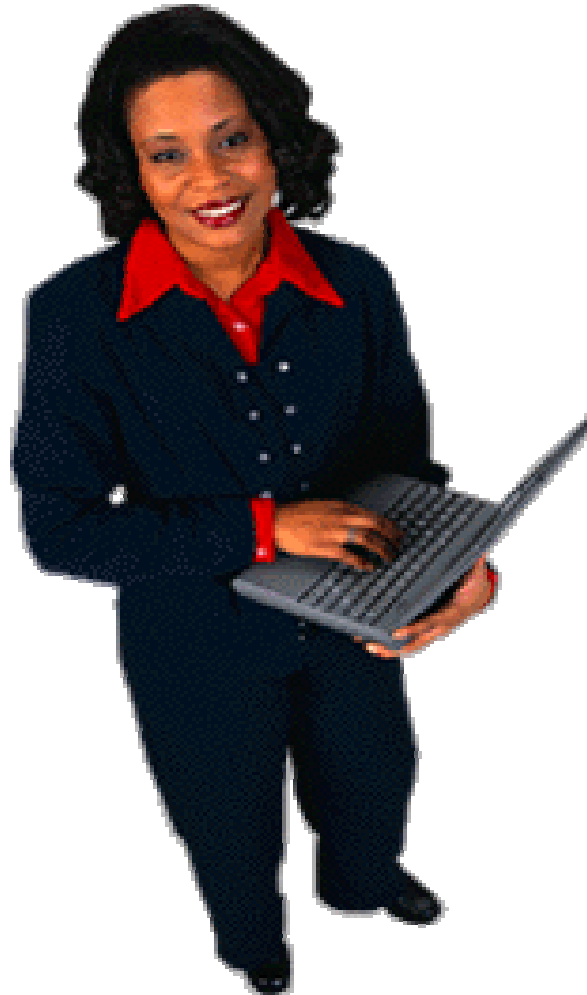


Topic Process Flow

- Record Statistical Costs from the OLQR



Demonstrations and Exercises Introduction



Demonstrations and Exercises



- **Record Statistical Costs**

Topic 3: Debrief



- Statistical Costs are recorded using a Journal Voucher
- Depending on if statistical costs remain within a center (one entry) or cross centers (two entries) determines the accounting entry to make
- The debit entry allows for the billing of statistical costs to occur for the sales order
- The credit entry allows for the recovery of indirect costs incurred for both centers and MSFC
- The cash entries move cash from the reimbursable fund to the direct fund
- The reimbursable WBS report can be viewed for the impact of the recording statistical costs
- Statistical Costs must be recorded before billing can occur



End of Course Review

Review Objectives & Expectations



Individuals here should now be able to:

- ✓ Verify WBS and derivation rules
- ✓ Create, update and reject a sales order
- ✓ Record statistical costs

Available Resources



- SAP Practice Training Instance
- OLQR
- Super-users within each department
- Job Aids



Extra Practice - SAP Training Instance



- Use data from course training guide to practice transactions

The training database provides a “safe” environment to develop and practice skills without affecting production.

Congratulations!

Training Course Feedback



- The on-line training course feedback will:
 - Assess the effectiveness of the instruction and training materials for the course
- To access the feedback form:
 - Launch your Web Browser
 - Enter the following URL address:
<http://www.zoomerang.com/recipient/survey-intro.zgi?ID=S92WBAWLSKWA&PIN=994RHHDW8RK7>
 - Complete and submit feedback by following the directions within the on-line form

